

S/N: 09/804,674

Atty Dkt No. FDC 0150 PUS

**Rejection Under 35 U.S.C. § 103**

Claims 1-22 were rejected under § 103(a) as being unpatentable over U.S. Patent No. 6,119,103 to Basch et al. in view of U.S. Patent No. 5,671,279 to Elgamal.

Claim 1 is directed to a method for quantifying risk of fraud associated with a purchasing card transaction and includes “obtaining a charge-back history associated with a consumer involved in the purchasing card transaction; and determining a risk score based on the charge-back history.” As noted by the Examiner, Basch et al. ‘103 fails to disclose determining a risk score based on charge-back history. Nor does Elgamal ‘279 cure the deficiencies of Basch et al. ‘103. By contrast, the portion of Elgamal ‘279 to which the Examiner refers, discloses a process for disputing charges. (See Elgamal ‘279, column 14, ll. 27 et seq.).

The Examiner has failed to identify any reference or portion thereof that discloses determining a risk score based on charge-back history. Furthermore, Applicants respectfully disagree with the Examiner’s assertion that “since Basch sends/receives a transaction data such as transaction type and transaction amount (col. 3, lines 50+), it would have [been] an obvious extension to implement ‘charge-back’ as another transaction type for generating risk-related data for the transaction type.” This is a conclusory statement that is simply not supported by the above references. Thus, the § 103(a) rejection of claim 1 and dependent claims 2-11 is improper and should be withdrawn.

Claim 12 is also directed to a method for quantifying risk of fraud associated with a purchasing card transaction and includes:

obtaining a charge-back history associated with a consumer involved in the purchasing card transaction, wherein the charge-back history includes charge-backs associated with a particular purchasing card account of the consumer, and a reason code for each charge-back;

weighting each charge-back based on the corresponding reason code; and

determining a risk score based on the weighted charge-backs.

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Because none of the cited references, either alone or in combination, disclose this combination of steps, the § 103(a) rejection of claim 12 is improper and should be withdrawn.

Claims 13 and 22 are each directed to a system for quantifying a risk of fraud associated with a purchasing card transaction. Claim 13 recites an authorization source that includes “a risk model for determining a risk score based on the charge-back history”, and claim 22 recites a processor that includes “a risk model for determining a risk score based on the charge-back history.” For the reasons discussed above with respect to claim 1, the § 103(a) rejection of claims 13 and 22, as well as dependent claim 14-21, is believed to be improper and should be withdrawn.

### Conclusion

Applicants have made a genuine effort to respond to each of the Examiner’s objections and rejections in advancing the prosecution of this case. Applicants believe that all formal and substantive requirements for patentability have been met and that this case is in condition for allowance, which action is respectfully requested. If any additional issues need to be resolved, the Examiner is invited to contact the undersigned at his earliest convenience.

Respectfully submitted,

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